

Maine Revised Statutes
Title 24-A: MAINE INSURANCE CODE
Chapter 85: VIATICAL AND LIFE SETTLEMENTS ACT
HEADING: PL 1997, c. 430, §1 (new); 2003, c. 636, §2 (rpr)

§6812. INSURANCE COMPANY PRACTICES

1. Duty to provide information. In addition to the provisions in section 6809, an insurance company that is licensed to do business in this State shall promptly respond to reasonable requests for policy information from a settlement provider or settlement producer upon the receipt of the following documents in the office of the insurance company:

A. An authorization signed by the viator to release specified information regarding the policy or certificate to a named licensed settlement provider or settlement producer; and [2003, c. 636, §13 (AMD).]

B. A request in writing from the settlement provider or settlement producer for the specified policy or certificate information. [2003, c. 636, §13 (AMD).]

Requests for the following items related to the policy or certificate that is the subject of a settlement transaction are deemed to be reasonable: ownership of and death benefits under the policy or certificate; premium information on the policy or certificate; liens, assignments and additional benefits; waiver of premium; and ownership and assignment provisions. The information provided must be the most recent information on file. By rule, the superintendent may specify additional criteria for information requests deemed reasonable under this section by a settlement provider.

[2003, c. 636, §13 (AMD).]

2. Conversion of group insurance. An issuer or 3rd-party administrator of a group life insurance policy shall promptly issue an individual conversion policy if the conversion is being requested for the purpose of entering into a settlement contract. For the purposes of this section, issuance of such a policy is deemed timely if it meets relevant standards for timeliness under chapter 23. This subsection may not be construed to create any new conversion rights not already granted by the policy or certificate being acquired pursuant to a settlement contract.

[2003, c. 636, §13 (AMD).]

3. Right to assign rights or benefits. Subsection 1 or 2 does not prohibit a viator under a group life insurance policy from assigning rights or benefits under the policy to a licensed settlement provider or converting the coverage to an individual life insurance policy.

[2003, c. 636, §13 (AMD).]

4. Assignment restrictions prohibited. A policy of group life insurance issued or in existence in this State that permits any assignment of a viator's rights may not restrict the viator from making assignments other than by gift.

[1997, c. 430, §1 (NEW); 1997, c. 430, §2 (AFF).]

5. Purchase of securities. This chapter does not require notice to the superintendent of, or restrict an insurance company from investing in, or participating in, or purchasing any securities issued in any transaction including without limitation any financing, securitization transaction or securities offering in which the licensed settlement provider sells, assigns, transfers, pledges, hypothecates or otherwise disposes of settlement contracts, policies acquired pursuant to settlement contracts or any interest therein.

[2003, c. 636, §13 (AMD) .]

6. Protection of policyholder's rights. An insurer may not engage in a transaction, act, practice or course of business or dealing that restricts, limits or impairs in any way the lawful transfer of ownership, change of beneficiary or assignment of a policy. This subsection does not prohibit a lawful contract provision granting irrevocable rights to a beneficiary or lawfully prohibiting assignment.

[2009, c. 376, §14 (NEW) .]

SECTION HISTORY

1997, c. 430, §1 (NEW). 1997, c. 430, §2 (AFF). 2003, c. 636, §13 (AMD). 2009, c. 376, §14 (AMD).

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